



Broadcasting Notice of Consultation CRTC 2013-448

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Ottawa, 28 August 2013

Notice of hearing

5 November 2013

Gatineau, Quebec

Deadline for submission of interventions/comments/answers:

27 September 2013

[\[Submit an intervention/comment/answer or view related documents\]](#)

The Commission will hold a hearing commencing on **5 November 2013 at 9 a.m., at the Conference Centre, Phase IV, 140 Promenade du Portage, Gatineau, Quebec**, to consider the following applications:

Applicant/Licensee and Locality

1. **RNC MEDIA Inc.**
Montréal, Quebec
Application 2013-0237-2
2. **8324441 Canada Inc., on behalf of TELETOON Canada Inc.**
Across Canada
Application 2013-0596-2 and renewal applications 2012-1162-2, 2012-1163-0 and 2012-1164-8
3. **Corus Entertainment Inc.**
Across Canada
Applications 2013-0597-0, 2013-0600-4 and 2013-0611-8
4. **8324433 Canada Inc., on behalf of 8504598 Canada Inc. and 8384851 Canada Inc.**
Across Canada
Applications 2013-0589-7 and 2013-0590-5
5. **OpenBroadcaster Inc.**
Across Canada
Application 2013-0439-4
6. **OpenBroadcaster Inc.**
Across Canada
Application 2013-0441-9

7. **Cobequid Radio Society**
Lower Sackville, Nova Scotia
Application 2013-0570-7
8. **Newcap Inc.**
Sydney, Nova Scotia
Application 2013-0988-1
9. **Newcap Inc.**
Saint John, New Brunswick
Application 2013-0983-1
10. **Newcap Inc.**
Saint John, New Brunswick
Application 2013-0984-9
11. **159272 Canada Inc.**
Chicoutimi, Drummondville, Gatineau, Montréal, Québec, Saint-Hyacinthe,
Sherbrooke and Trois-Rivières, and their surrounding areas, Quebec
Application 2013-0632-4
12. **159272 Canada Inc.**
Belleville, Hamilton, Kingston, Kitchener, London, Niagara Falls, Oshawa,
Ottawa, Sarnia, Sault Ste. Marie, Sudbury, St. Catharines, Toronto (GTA) and
Windsor, and their surrounding areas, Ontario
Application 2013-0631-6
13. **Nexicom Communications Inc.**
Peterborough, Ontario
Application 2013-0824-7
14. **CAB-K Broadcasting Ltd.**
Vegreville, Alberta
Application 2013-0006-1
15. **Newcap Inc.**
Hinton, Alberta
Application 2013-0615-0
16. **Vista Radio Ltd.**
Grand Forks, British Columbia
Application 2013-0688-7

Preamble

Item 1

On 31 January 2013, the Commission received an application by RNC MÉDIA inc. (RNC) to renew the broadcasting licence for CKLX-FM Montréal and amend certain conditions of licence pertaining to its programming. Specifically, RNC is requesting a number of programming amendments that would see the station switch from a Jazz and blues music format to a spoken word format.

First known as “Couleur Jazz,” then “Planète Jazz,” CKLX-FM is a French-language commercial radio station that has been operating in the Montréal radio market since 2004 with a Jazz and blues specialty music format.

In the summer of 2012, the station’s branding was changed to “CHOI Radio X Montréal”. This branding is a reference to other spoken word stations owned by RNC.

The licensee is requesting a licence amendment further to the station’s financial losses, which it attributes to the specialty music format, and to a desire to compete more effectively in the Montréal francophone radio market through a spoken word format.

In *CKLX-FM Montréal – Licence Amendments*, Broadcasting Decision CRTC 2013-123, 14 March 2013, the Commission denied an earlier application to change the station’s format to spoken word. In that decision, the Commission found that the licensee was in non-compliance with several regulatory requirements. The Commission stated that it would examine the licensee’s instances of non-compliance when the broadcasting licence for CKLX-FM came up for renewal.

The Commission intends to consider, subject to interventions, item 1 during the appearing phase of the public hearing.

Items 2 to 4

The Commission received applications by Corus Entertainment Inc. (Corus) and some of its subsidiaries, on behalf of the licensees of the broadcasting undertakings listed below, for authority to change their effective control to Corus:

Item 2 (TELETOON suite)

- TELETOON/TÉLÉTOON
- TELETOON Retro (English)
- TÉLÉTOON Rétro (French)
- Cartoon Network

Item 3

- Historia
- Séries+

Item 4

- CKQB-FM Ottawa
- CKQB-FM-1 Pembroke
- CJOT-FM Ottawa

In *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310 27 June 2013, the Commission directed BCE Inc. to divest its interests in these undertakings (as well as others). The shares of the undertakings' licensees that are held directly or indirectly by Bell Media Inc. (Bell Media) are currently under the control of the Trustee Mr. Pierre Boivin, pursuant to the Voting Trust Agreement approved by the Commission in the [Letter of approval](#) of 27 June 2013.

The Commission also received applications by TELETOON Canada Inc., the current licensee, to renew the broadcasting licences for the following national specialty programming undertakings, all expiring 31 March 2014 :

- TELETOON/TÉLÉTOON (Category A, English- and French-language);
- TELETOON Retro (Category B, English-language); and
- TÉLÉTOON Rétro (Category B, French-language).

These licence renewal applications will be considered concurrently with item 2.

The Commission intends to consider, subject to interventions, items 2 and 3 during the appearing phase of the public hearing and item 4 during the non-appearing phase of the hearing.

In accordance with section 35(1)(a) of the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure, SOR/2010-277* (Rules of Procedure), the applicants and licensees are required to post the present notice of consultation or an electronic link to it on a page of their respective websites that is accessible from the home page by no later than five calendar days from the date of the present notice. It must remain there until the intervention deadline for this proceeding.

Items 5 to 16

The Commission intends to consider, subject to interventions, items 5 to 16 during the non-appearing phase of the hearing.

1. RNC MEDIA Inc.
 Montréal, Quebec
 Application 2013-0237-2

Application by **RNC MEDIA Inc.** (RNC) to renew the broadcasting licence for the French-language specialty commercial radio programming undertaking CKLX-FM Montréal, expiring 31 August 2013.

In addition, the licensee proposes to change the station's conditions of licence in order to change its format from a specialty format focusing on content category 3 (Special Interest Music) music, with a particular emphasis on jazz and blues, to a specialty format devoting more than 50% of the broadcast week to spoken word programming. Specifically, the licensee proposes to delete the following conditions of licence set out in *CKLX-FM Montréal – Licence renewal and amendment*, Broadcasting Decision CRTC 2010-585, 17 August 2010 (Broadcasting Decision 2010-585):

- The licensee shall devote a minimum of 70% of the station's music programming to musical selections from subcategory 34 (Jazz and blues).
- The licensee shall devote a minimum of 45% of all category 2 (Popular music) musical selections broadcast during the broadcast week to Canadian selections broadcast in their entirety.
- The licensee shall devote a minimum of 35% of all category 3 (Special interest) broadcast during the broadcast week to Canadian selections, to be scheduled in a reasonable manner throughout the broadcast day.

In addition, the licensee proposes to add the following condition of licence:

- The licensee shall devote more than 50% of the station's programming each broadcast week to programs from content category 1 (Spoken word).

The licensee submits that CKLX-FM continues to encounter significant financial losses related to the non-viability of the jazz and blues music format in the Montréal region.

In *CKLX-FM Montréal – Licence amendments*, Broadcasting Decision CRTC 2013-123, 14 March 2013, the Commission denied an application by RNC to amend its conditions of licence relating to the station's programming. The Commission also determined that RNC had failed to comply with the following sections of the *Radio Regulations, 1986* (the Regulations):

- section 9(3)(b), which relates to the list of musical selections;
- sections 8(5) and 8(6), which relate to logger tapes; and
- section 2.2(5), which relates to the broadcast of French-language vocal music

Moreover, the Commission noted that the licensee failed to devote at least 70% of its programming to musical selections drawn from content subcategory 34 as required by condition of licence.

The Commission reminds the licensee that it may consider recourse to additional measures, including non-renewal, short-term renewal, mandatory orders or suspension of the licence, pursuant to sections 9 and 24 of the *Broadcasting Act*.

The Commission notes that in Broadcasting Decision 2010-585, the station was granted a short-term licence renewal to 31 August 2013, based on its failure to comply with its condition of licence relating to its Canadian content development (CCD) contributions. Additionally, the Commission approved in part the request by RNC to allocate the payment of its outstanding CCD contributions over the new licence term.

The Commission notes that additional information may be added to the public file. Interested parties will have the opportunity to comment on any such additions.

Licensee's address:

1 Place Ville-Marie
Suite 1523
Montréal, Quebec
H3B 2B5

Fax: 514-866-8777

Email: rbriere@rncmedia.ca

Website to view application: www.rncmedia.ca

Email to request electronic version of application: dtessier@rncmedia.ca

2. 8324441 Canada Inc., on behalf of TELETOON Canada Inc.

Across Canada

Application 2013-0596-2 and renewal applications 2012-1162-2, 2012-1163-0 and 2012-1164-8

Application by **8324441 Canada Inc.** (8324441 Canada), **on behalf of TELETOON Canada Inc.** (TELETOON Canada), for authority to effect a change in ownership and effective control of the undertakings of TELETOON Canada to Corus Entertainment Inc. (Corus).

TELETOON Canada is the licensee of TELETOON/TÉLÉTOON, TELETOON Retro (English), TÉLÉTOON Rétro (French) and Cartoon Network (collectively TELETOON suite).

TELETOON Canada is a corporation controlled by its board of directors, which are ultimately nominated by Corus and Mr. Pierre Boivin, the Trustee in control of the participation ultimately held by Bell Media Inc. (Bell Media), pursuant to the Voting Trust Agreement approved by the Commission in the [Letter of approval](#) of 27 June 2013.

8324441 Canada is a wholly owned subsidiary corporation of Corus, which is ultimately controlled by J.R. Shaw, pursuant to the terms of a voting trust agreement.

Transaction

The proposed change in control would be effected through the transfer of the direct and indirect voting interests of Bell Media in TELETOON Canada to 8324441 Canada, followed by a corporate reorganization and an amalgamation, resulting in TELETOON Amalco to continue as the licensee of the TELETOON suite services.

Following completion of the transaction, the TELETOON suite would be effectively controlled by Corus.

Pursuant to the Share Purchase Agreement, the applicant would purchase the shares of TELETOON Canada for \$249 million.

Diversity of voices

In *Diversity of voices* – Regulatory policy, Broadcasting Public Notice CRTC 2008-4, 15 January 2008, the Commission established that, as a general rule, it would not approve applications for a change in effective control that would result in a dominant position held by one person, in the delivery of television services to Canadians that would impact on the diversity of programming available to television audiences. The Commission also stated that, barring other policy considerations, transactions resulting in one person controlling less than 35% of the total television audience share in one language would be processed expeditiously, whereas it would carefully examine transactions where one person controlled between 35% and 45% of the total television audience share in one language.

Corus submitted that its application should present no concerns to the Commission as further to the transaction, its viewing share in the English-language market would be 13.4%, which falls below the 35% threshold used by the Commission. Given that this transaction involves affiliated companies, Corus calculated the total share for Corus and Shaw Media Inc. in the English-language television market to be 36.1% for the 2011-2012 broadcast year and estimated this percentage to be 37.1% for 2012-2013.

Vertical integration

Given the applicant's ownership structure, the Commission may wish to discuss the applicability and relevance to Corus of remedies against anti-competitive behaviours such as those set out in *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision 2013-310, 27 June 2013, which relate to the *Code of conduct for commercial arrangements and interactions*, tied selling, the negotiation of non-linear rights, the provision of a notice regarding the launch of new services, access to advertising availabilities by competitors, the requirement to file affiliation agreements, and dispute resolution prior to the expiry of an affiliation agreement.

Proposed tangible benefits package

Under the Commission's tangible benefits policy, applicants are required to propose tangible benefits amounting to at least 10% of the value of the transaction as determined by the Commission, for all conventional and specialty television assets. The Commission, in applying its benefits test, has been consistent and rigorous in requiring that expenditures proposed as tangible benefits (1) be truly incremental, (2) be directed to projects and initiatives that would not be undertaken or realized in the absence of the transaction, and (3) flow predominantly to third parties, such as independent producers.

Corus proposed a tangible benefits package in the amount of \$24.9 million, representing 10% of the purchase price of the television undertakings (\$249 million). Of these funds, 85% (\$21.165 million) would be dedicated to on-screen initiatives. Corus indicated that 75% of on-screen benefits would flow to independent producers and confirmed that no more than 10% of the benefits directed to the production of programming would be allocated to online services or production.

As part of the process, the Commission may wish to consider the proposed benefits package in terms of incrementality, acceptability and compliance with *Building on success – A policy framework for Canadian television*, Broadcasting Public Notice CRTC 1999-97, 11 June 1999, and could request alternative proposals with respect to any benefits that may be found to be unacceptable to the Commission.

Regulatory framework for the operation of the services

The applicant proposed to apply the group-based approach for the licensing of private television services, as set out in *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy 2010-167, 22 March 2010, to the English- and French-language Category A service TELETOON/TÉLÉTOON and the English-language Category B service TELETOON Retro in order to include them in the Corus group. To that effect, Corus proposed a Canadian programming expenditure (CPE) requirement for TELETOON/TÉLÉTOON of 31% of gross revenues from the previous broadcast year and a program of national interest (PNI) requirement of 26% of gross revenues from the previous broadcast year. For TELETOON Retro, Corus proposed a CPE of 16% and a PNI of 4%.

Corus stated its intention to operate the French-language Category B service TÉLÉTOON Rétro and the English-language Category B service The Cartoon Network independently from the Corus group.

As part of this process, the Commission may wish to consider the applicability of the group-based approach to these services and the impact of their inclusion in the Corus group on Corus's obligations relating to CPE and PNI, as set out in *Corus Entertainment Inc. - Group-based licence renewals*, Broadcasting Decision 2011-446, 27 July 2011.

Additional information may be added to the public file for this application. The Commission encourages interested parties to monitor the public file and the

Commission's website for additional information that they may find useful when preparing their comments.

Licence renewal and condition of licence

TELETOON Canada Inc. filed an application (2012-1162-2) to renew the broadcasting licence for the national, English- and French-language specialty Category A programming undertaking known as TELETOON/TÉLÉTOON, which expires 31 March 2014.

The licensee has confirmed that it would adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy 2011-443, 27 July 2011.

The Commission notes that the licensee is proposing amendments to its current conditions of licence with respect to the following requirements: limits on programming devoted to program categories 12, 13 and 14; the minimum percentage of animated programming drawn from program categories 7(d) and 7(e); the broadcast of Canadian programs during primetime; and CPE.

The Commission also notes that the licensee may have failed to comply with its condition of licence relating to the exhibition of Canadian content during the evening broadcast period, for the 2010-2011 and the 2011-2012 broadcast years. The Commission may wish to examine this matter.

TELETOON Canada Inc. also filed applications (2012-1163-0 and 2012-1164-8) to renew the broadcasting licences for the national, English-language specialty Category B programming undertaking known as **TELETOON Retro** and the national, French-language specialty Category B programming undertaking known as **TÉLÉTOON Rétro**, both of which expire 31 March 2014.

The licensee has confirmed that it would adhere to the standard conditions of licence for specialty Category B services set out in *Standard conditions of licence, expectations and encouragements for Category B pay and specialty services – corrected Appendices 1 and 2*, Broadcasting Regulatory Policy 2010-786-1, 18 July 2011.

The Commission notes that the licensee is proposing an amendment to its current conditions of licence relating to programs that are copyrighted at least ten years prior to the year in which they are distributed by the service.

With respect to TÉLÉTOON Rétro, the Commission notes that the licensee may have failed to comply with its condition of licence regarding the broadcast of Canadian content during the evening broadcast period, for the 2011-2012 broadcast year. The Commission may wish to examine this matter.

Corus, the applicant, has reviewed applications 2012-1162-2, 2012-1163-0 and 2012-1164-8 for licence renewal and agrees to adhere to the proposed conditions of licence.

Current licensee's address:

Brookfield Place
 181 Bay Street
 P.O. Box 787
 Toronto, Ontario M5J 2T3
 Fax: 416-956-8636
 Email: lenc@teletoon.com
 Website to view application: www.teletoon.com
 Email to request electronic version of application: lenc@teletoon.com

Applicant's address:

Corus Quay
 25 Dockside Drive
 Toronto, Ontario
 M5A 0B5
 Fax: 416-479-7015
 Email: sylvie.courtemanche@corusent.com
 Email to request electronic version of application: sylvie.courtemanche@corusent.com

3. Corus Entertainment Inc.

Across Canada
 Applications 2013-0597-0, 2013-0600-4 and 2013-0611-8

Application by **Corus Entertainment Inc.** (Corus), for authority to acquire the television broadcasting undertakings Historia and Séries+, through the multi-step transaction described below.

Shaw Media Inc. (Shaw) and 8504610 Canada Inc. (8504610 Canada), partners in a general partnership carrying on business as Historia & Séries+, s.e.n.c. (the Partnership), are the licensees of the French-language speciality Category A services Historia and Séries+.

Shaw is a corporation owned by Shaw Communications Inc. Corus and Shaw are ultimately controlled by J.R. Shaw, pursuant to the terms of a voting trust agreement.

8504610 Canada is directly owned by Bell Media Inc. (Bell Media), a subsidiary of BCE Inc. that has been directed to divest of its participation in Historia and Séries+ (see *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013). 8504610 Canada is currently under the control of the Trustee Mr. Pierre Boivin, pursuant to the Voting Trust Agreement approved by the Commission in the [Letter of approval](#) of 27 June 2013.

Transaction

First step, application 2013-0611-8

Application filed on behalf of 8504644 Canada Inc. (8504644 Canada) and 8504652 Canada Inc. (8504652 Canada), two corporations created by the Partnership, for authority to acquire the assets of the television broadcasting undertakings Historia and Séries+, respectively.

This step requires the issuance of new broadcasting licences to 8504644 Canada (for Historia) and 8504652 Canada (for Séries+). Corus, on behalf of these proposed licensees, requested to continue the operation of the undertakings under the same terms and conditions as those in effect under the current licences. Corus also indicated its intention to file an application to propose amendments to the conditions of licence at a later date.

Second step, application 2013-0597-0

Application filed for authority to effect a change in ownership and effective control of 8504610 Canada, through the transfer of all of its shares to Corus.

As a result of this step, Corus would indirectly own, through 8504610 Canada, a 50% voting interest in the Partnership.

Third step, application 2013-0600-4

Application filed on behalf of Shaw for authority to transfer Shaw's 50% interest in the Partnership to 923774 Alberta Ltd. (0.001%) and Corus (49.999%).

Corporate reorganization

As part of this multi-step transaction, Corus would proceed with a corporate reorganization involving the dissolution of the Partnership and resulting in Corus directly owning the proposed licensees, 8504644 Canada and 8504652 Canada.

Corus would then create two wholly owned subsidiaries, which would each wholly own the proposed licensees.

Finally, the subsidiaries, 8504644 Canada and 8504652 Canada would amalgamate as Historia Amalco and Séries Amalco, to continue as the respective licensee of the Historia and Séries+ services.

Following completion of the transaction, Historia and Séries+ would be effectively controlled by Corus.

Pursuant to the Sales Agreement between Corus and Bell Media and to the Binding Agreement between Shaw and Corus, the applicant would purchase the assets and ownership of the undertakings for \$277.2 million, which corresponds to \$98 million for

Historia and \$179.2 million for *Séries+*. The purchase price has been equally divided between Bell Media and Shaw, amounting to \$138.6 million each.

Diversity of voices

In *Diversity of voices* – Regulatory policy, Broadcasting Public Notice CRTC 2008-4, 15 January 2008, the Commission established that, as a general rule, it would not approve applications for a change in effective control that would result in the control, by one person, of a dominant position in the delivery of television services to Canadians that would impact on the diversity of programming available to television audiences. The Commission also stated that, barring other policy considerations, transactions resulting in one person controlling less than 35% of the total television audience share in one language would be processed expeditiously, whereas it would carefully examine transactions where one person controlled between 35% and 45% of the total television audience share in one language.

Corus submitted that its application should present no concerns to the Commission as Corus's viewing share in the French-language market following the addition of TELETOON/TÉLÉTOON, TÉLÉTOON Rétro, Historia and *Séries+* to its group would be 8.5% according to the 2010-2011 broadcast year data, which falls below the 35% threshold used by the Commission.

Vertical integration

Given the applicant's ownership structure, the Commission may wish to discuss the applicability and relevance of remedies against anti-competitive behaviours such as those set out in *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision 2013-310, 27 June 2013, which relate to the *Code of conduct for commercial arrangements and interactions*, tied selling, the negotiation of non-linear rights, the provision of a notice regarding the launch of new services, access to advertising availabilities by competitors, the requirement to file affiliation agreements and dispute resolution prior to the expiry of an affiliation agreement.

Proposed benefits package

Under the Commission's tangible benefits policy, applicants are required to propose tangible benefits amounting to at least 10% of the value of the transaction as determined by the Commission, for all conventional and specialty television assets. The Commission, in applying its benefits test, has been consistent and rigorous in requiring that expenditures proposed as tangible benefits (1) be truly incremental, (2) be directed to projects and initiatives that would not be undertaken or realized in the absence of the transaction, and (3) flow predominantly to third parties, such as independent producers.

Corus proposed a tangible benefits package in the amount of \$13.86 million, representing 10% of the purchase price of participation in the television undertakings it is acquiring from Bell Media (\$138.6 million) and which confers upon it effective control of the undertakings. The purchase price of \$277.2 million has been equally divided between Bell Media and Shaw, amounting to \$138.6 million each. Corus has not proposed a

tangible benefits package for the participation of Shaw as it considers this transaction step to French-language be a corporate reorganization of the Shaw/Corus group. Of the proposed funds, 85% (\$11.781 million) would be dedicated to on-screen initiatives. Corus indicated that 75% of on-screen benefits would flow to independent producers and confirmed that not more than 10% of the benefits directed to the production of programming would be allocated to online services or production.

As part of this process, the Commission may wish to consider the proposed benefits package in terms of incrementality, acceptability and compliance with *Building on Success – A Policy Framework for Canadian Television*, Broadcasting Public Notice CRTC 1999-97, 11 June 1999, and could request alternative proposals with respect to any benefits that may be found to be unacceptable to the Commission.

Regulatory framework for the operation of the services

Corus stated its intention to operate the French-language services Historia and Séries+ independently from the primarily English-language Corus group. Consequently, Corus proposed to amend the services' requirements regarding Canadian programming expenditures (CPE) and to delete their obligations relating to programs of national interest (PNI) set out in *Astral Media inc. – Group-based licence renewals*, Broadcasting Decision 2012-241, 26 April 2012. Corus proposed a CPE requirement of 30% of gross revenue from the previous broadcast year for Historia and of 17% for Séries+, calculated according to the terms set out in *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy 2010-167, 22 March 2010. According to Corus, eliminating the services' PNI requirements would not decrease the volume of programs from program categories 2(b) Long-form documentary and 7 Drama and comedy broadcast on Historia and Séries+, given that their natures of service and conditions of licence require them to devote a significant portion of their schedules to those types of programs.

As part of this process, the Commission may wish to consider the appropriate level of CPE and PNI, if any, for these services and the applicability of the group-based approach to these services.

Applicant's address:

Corus Quay
 25 Dockside Drive
 Toronto, Ontario
 M5A 0B5
 Fax: 416-479-7015
 Email: sylvie.courtemanche@corusent.com
 Email to request electronic version of application: sylvie.courtemanche@corusent.com

4. 8324433 Canada Inc., on behalf of 8504598 Canada Inc. and 8384851 Canada Inc.

Across Canada

Applications 2013-0589-7 and 2013-0590-5

Applications by **8324433 Canada Inc.** (8324433 Canada), **on behalf of 8504598 Canada Inc.** (8324598 Canada) and **8384851 Canada Inc.** (8324851 Canada), for authority to effect a change in ownership and effective control of 8324598 Canada and 8324851 Canada, through a two-step transaction.

8324433 Canada is a wholly owned subsidiary of Corus Entertainment Inc. (Corus).

8324598 Canada is the licensee of CKQB-FM Ottawa and CKQB-FM-1 Pembroke, whereas 8384851 Canada is the licensee of CJOT-FM Ottawa. Both corporations are directly owned by Bell Media Inc. (Bell Media) and were created to hold certain assets of which BCE Inc. has been required to divest (see *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision 2013-310, 27 June 2013). The corporations are currently under the control of the Trustee Mr. Pierre Boivin, pursuant to the Voting Trust Agreement approved by the Commission in the [Letter of approval](#) of 27 June 2013.

For both transactions, the first step would be affected through the acquisition by 8324433 Canada of all of the issued and outstanding shares of 8324598 Canada and 8384581 Canada. As the second step of the transaction, 8324598 Canada, 8384581 Canada and 8324433 Canada would amalgamate to form Radio Amalco.

Should the Commission approve these transactions, the effective control of CKQB-FM, CKQB-FM-1 and CJOT-FM would be exercised by Corus.

Pursuant to the Share Purchase Agreement, the applicant would purchase the shares of 8324598 Canada for \$10 million and the shares of 8384851 Canada for \$3 million. The applicant has proposed a tangible package of \$780,000, which is equal to 6% of the total purchase price of \$13 million.

The Commission notes that the applicant will not be assuming the unfulfilled tangible benefits resulting from previous transactions, which will be assumed by Bell Media

The Commission also notes that CKQB-FM is in apparent non-compliance in regard to its contributions to Canadian content development. The Commission is currently processing the licence renewal application for CKQB-FM and will address this issue in the licence renewal decision, which will be issued by 31 August 2013.

Furthermore, the Commission notes that, as of 31 August 2012, CJOT-FM appeared to be in compliance with all of its other conditions of licence.

Applicant's address:

Corus Quay
 25 Dockside Drive
 Toronto, Ontario
 M5A 0B5
 Fax: 416-479-7015
 Email: sylvie.courtemanche@corusent.com
 Email to request electronic version of application: sylvie.courtemanche@corusent.com

5. OpenBroadcaster Inc.
 Across Canada
 Application 2013-0439-4

Application by **OpenBroadcaster Inc.** for a broadcasting licence to operate a national video-on-demand (VOD) service to be known as OBX on Demand.

The service would provide 100% user-generated pornography and its programming would be adapted to the audience in each region it serves.

The applicant confirmed that it would adhere to the standard conditions of licence for VOD undertakings set out in *Standard requirements for video-on-demand undertakings*, Broadcasting Regulatory Policy CRTC 2011-59, 11 January 2011, and *Standard requirements for video-on-demand undertakings – Provision of an outlet for local expression, measures to control the loudness of commercial messages and annual filing of aggregate statistical data*, Broadcasting Regulatory Policy CRTC 2011-59-1, 8 May 2012.

The applicant proposes to broadcast 100% of its programming in the English-language.

Applicant's address:

P.O. Box 87
 Tagish, Yukon Territory
 Y0B 1T0
 Email: radiator@openbroadcaster.com
 Website to view application: www.openbroadcaster.com/obx.zip
 Email to request electronic version of application: radiator@openbroadcaster.com

6. OpenBroadcaster Inc.
 Across Canada
 Application 2013-0441-9

Application by **OpenBroadcaster Inc.** for a broadcasting licence to operate a national video-on-demand (VOD) service to be known as OBZONE on Demand.

The service would provide 100% user-generated content and its programming would be adapted to the audience in each region it serves.

The applicant confirmed that it would adhere to the standard conditions of licence for VOD undertakings set out in *Standard requirements for video-on-demand undertakings*, Broadcasting Regulatory Policy CRTC 2011-59, 11 January 2011, and *Standard requirements for video-on-demand undertakings – Provision of an outlet for local expression, measures to control the loudness of commercial messages and annual filing of aggregate statistical data*, Broadcasting Regulatory Policy CRTC 2011-59-1, 8 May 2012.

The applicant proposes to broadcast 100% of its programming in the English-language.

Applicant's address:

P.O. Box 87
Tagish, Yukon
Y0B 1T0

Email: radiorob@openbroadcaster.com

Website to view application: www.openbroadcaster.com/obx.zip

Email to request electronic version of application: radiorob@openbroadcaster.com

7. Cobequid Radio Society
Lower Sackville, Nova Scotia
Application 2013-0570-7

Application by **Cobequid Radio Society** for a broadcasting licence to operate an English-language community FM radio station in Lower Sackville.

The proposed station would operate on frequency 88.7 MHz (channel 204A1) with an effective radiated power of 250 watts (non-directional antenna with an effective height of antenna above average terrain of 25.1 metres).

The Commission may withdraw this application from the public hearing if it is not advised by the Department of Industry, at least twenty days prior to the hearing, that the application is technically acceptable.

Applicant's address:

60 Ahmadi Crescent
Bedford, Nova Scotia
B4A 4E5

Email: ianm486@gmail.com

Email to request electronic version of application: cobequidradio@gmail.com

8. Newcap Inc.
Sydney, Nova Scotia
Application 2013-0988-1

Application by **Newcap Inc.** (Newcap) for authority to acquire, as part of a corporate reorganization, the assets of the commercial English-language FM radio station

CKCH-FM Sydney, known as “The Eagle”, from 3221809 Nova Scotia Ltd. (3221809 Nova Scotia).

Newcap is also requesting a new broadcasting licence to continue the operation of the station under the same terms and conditions as those in effect under the current licence.

3221809 Nova Scotia is a wholly owned subsidiary of Newcap, which in turn is controlled by Mr. Harold R. Steele.

This corporate reorganization consists of the wind-up of 3221809 Nova Scotia into Newcap, pursuant to the Asset Purchase Agreement dated 2 July 2013.

The above transaction would not affect the effective control of the station, which would continue to be exercised by Mr. Steele.

Applicant’s address:

745 Windmill Road
 Dartmouth, Nova Scotia
 B3B 1C2
 Fax: 902-468-5661
 Email: dmurray@ncc.ca
 Website to view the application: www.ncc.ca

9. Newcap Inc.
 Saint John, New Brunswick
 Application 2013-0983-1

Application by **Newcap Inc.** (Newcap) for authority to acquire the assets of the English-language specialty commercial FM radio station CHNI-FM Saint John from Rogers Broadcasting Limited (Rogers) and for a new broadcasting licence to continue the operation of the station.

Newcap is a corporation controlled by Mr. Harold R. Steele.

The applicant proposes to delete the following conditions of licence, for the service, which are set out in *News/Talk commercial FM radio station in Saint John*, Broadcasting Decision CRTC 2004-520, 26 November 2004 and *CKNI-FM Moncton and CHNI-FM Saint John – Licence amendments*, Broadcasting Decision CRTC 2010-465, 9 July 2010:

- The licensee shall operate the station within the Specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, as amended by *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000, as amended from time to time.

- The licensee shall ensure that more than 50% of all programming broadcast during each broadcast week consists of material from content Category 1 (Spoken Word).
- The licensee shall ensure that at least 50% of all programming broadcast during each broadcast week consists of local programming. The definition of local programming shall be as set out in *Policies for local programming on commercial radio stations and advertising on campus stations*, Public Notice CRTC 1993-38, 19 April 1993, as amended from time to time.
- The licensee shall ensure that no more than 25% of all programming broadcast during each broadcast week consists of musical selections.
- The licensee shall ensure that musical selections are broadcast only during the 6 p.m. to midnight period over the course of the broadcast week.

The applicant states that these changes are necessary because the station's current News/Talk format is not economically viable. The applicant is proposing to offer a mainstream Adult Contemporary music format.

The purchase price for the transaction, pursuant to the terms of the Asset Purchase Agreement, is \$750,000. The applicant did not propose to pay tangible benefits representing 6% of the value of the transaction due to CHNI-FM's financial difficulties. However, since it requested to change the format, it proposed to devote \$45,000 over and above the required basic amounts to Canadian content development initiatives over the course of the licence term.

Also, through a separate application (2013-0984-9), which is also to be considered at this public hearing, Newcap is requesting technical amendments to the broadcasting licence for CHNI-FM.

Applicant's address:

745 Windmill Road
 Dartmouth, Nova Scotia
 B3B 1C2
 Fax: 902-468-5661
 Email: dmurray@ncc.ca
 Website to view the application: www.ncc.ca

10. Newcap Inc.
 Saint John, New Brunswick
 Application 2013-0984-9

Application by **Newcap Inc.** relating to the commercial radio station CHNI-FM
 Saint John.

The applicant proposes to change the authorized contours by changing the antenna radiation pattern from non-directional to directional, by decreasing the average effective

radiated power (ERP) from 79,000 to 12,200 watts (maximum ERP from 79,000 to 25,000 watts), and by increasing the antenna's effective height above average terrain from 395 to 414 metres.

The Commission notes that the population served under the proposed coverage contours would decrease from 160,985 to 130,328 in the 3mV/m contour and from 294,803 to 210,158 in the 0.5mV/m contour.

The applicant indicated that the purpose of this proposed change is to eliminate the existing spill from CHNI-FM into the out-of-market Oromocto area and to remove the signal overlap with its own stations licensed to serve Fredericton.

The applicant also indicated that this application is non-severable from application 2013-0983-1, which is also to be considered at this hearing and which seeks to acquire the assets of CHNI-FM which is from Rogers Broadcasting Limited.

License's address:

745 Windmill Road
 Dartmouth, Nova Scotia
 B3B 1C2
 Fax: 902-468-5661
 Email: dmurray@ncc.ca
 Website to view application: www.ncc.ca

11. 159272 Canada Inc.

Chicoutimi, Drummondville, Gatineau, Montréal, Québec, Saint-Hyacinthe, Sherbrooke and Trois-Rivières, and their surrounding areas, Quebec
 Application 2013-0632-4

Application by **159272 Canada Inc.** for a regional broadcasting licence to operate terrestrial broadcasting distribution undertakings to serve the above-noted locations.

The applicant requests the following condition of licence:

- The licensee is authorized to distribute, at its option, as part of the basic service, WBZ-TV (CBS), WHDH-TV (NBC), WCVB-TV (ABC), WFXT (FOX) and WGBH-TV (PBS) Boston, Massachusetts, or, alternatively for each signal, the signal of a different affiliate of the same network located in the same time zone as that of the licensed area and included on the *List of non-Canadian programming services authorized for distribution*, as amended from time to time and approved by the Commission.

Applicant's address:

283-100 Alexis Nihon Boulevard
 Saint-Laurent, Quebec
 H4M 2N7

Fax: 514-744-1552

Email: jmvandette@securenet.net

Website to view application: www.net-vu.ca or www.net-vu.tv

Email to request electronic version of application:

no-reply@net-vu.ca or no-reply@net-vu.tv

12. 159272 Canada Inc.

Belleville, Hamilton, Kingston, Kitchener, London, Niagara Falls, Oshawa, Ottawa, Sarnia, Sault Ste Marie, Sudbury, St. Catharines, Toronto (GTA) and Windsor, and their surrounding areas, Ontario

Application 2013-0631-6

Application by **159272 Canada Inc.** for a regional broadcasting licence to operate terrestrial broadcasting distribution undertakings to serve the above-noted locations.

The applicant requests the following condition of licence:

- The licensee is authorized to distribute, at its option, as part of the basic service, WBZ-TV (CBS), WHDH-TV (NBC), WCVB-TV (ABC), WFXT (FOX) and WGBH-TV (PBS) Boston, Massachusetts, or, alternatively for each signal, the signal of a different affiliate of the same network located in the same time zone as that of the licensed area and included on the *List of non-Canadian programming services authorized for distribution*, as amended from time to time and approved by the Commission.

Applicant's address:

283-100 Alexis Nihon Boulevard

Saint-Laurent, Quebec

H4M 2N7

Fax: 514-744-1552

Email: jmvandette@securenet.net

Website to view application: www.net-vu.ca or www.net-vu.tv

Email to request electronic version of application:

no-reply@net-vu.ca or no-reply@net-vu.tv

13. Nexicom Communications Inc.

Peterborough, Ontario

Application 2013-0824-7

Application by **Nexicom Communications Inc.** for a broadcasting licence to operate a terrestrial broadcasting distribution undertaking to serve Peterborough.

The applicant requests the following condition of licence:

- The licensee is authorized to distribute, as part of the basic service, the signals of WWJ-TV (CBS), WDIV-TV (NBC) and WXYZ-TV (ABC) Detroit, Michigan,

WUHF-TV (FOX) Rochester, New York and WNED (PBS) Buffalo, New York, or alternatively for each signal, the signal of a different affiliate of the same network located in the same time zone as that of the licensed area and included on the *List of non-Canadian programming services authorized for distribution*, as amended from time to time and approved by the Commission.

Applicant's address:

5 King Street East
 Millbrook, Ontario
 L0A 1G0
 Fax: 877-634-8148
 Email: pdowns@nexicomgroup.net
 Website to view application: www.nexicom.net
 Email to request electronic version of application: pdowns@nexicomgroup.net

14. CAB-K Broadcasting Ltd.
 Vegreville, Alberta
 Application 2013-0006-1

Application by **CAB-K Broadcasting Ltd.** for a broadcasting licence to operate an English-language commercial FM radio station in Vegreville.

The station would operate on frequency 106.5 MHz (channel 293B1) with an effective radiated power of 13,000 watts (non-directional antenna with an effective height of antenna above average terrain of 107.8 metres).

The applicant proposes a Country music format.

The Commission may withdraw this application from the public hearing if it is not advised by the Department of Industry at least twenty days prior to the hearing that the application is technically acceptable.

Applicant's address:

#6 4526 - 49th Avenue
 Olds, Alberta
 T4H 1A4
 Fax: 403-556-2637
 Email: bh_cklj@telus.net
 Email to request an electronic version of the application: bh_cklj@telus.net

15. Newcap Inc.
 Hinton, Alberta
 Application 2013-0615-0

Application by **Newcap Inc.** for a broadcasting licence to operate an English-language commercial FM radio station in Hinton.

The station would operate on frequency 104.9 MHz (channel 285B1) with an effective radiated power of 1,100 watts (non-directional antenna with an effective height of antenna above average terrain of 345.4 metres).

The applicant proposes a Rock music format.

The Commission may withdraw this application from the public hearing if it is not advised by the Department of Industry at least twenty days prior to the hearing that the application is technically acceptable.

Applicant's address:

745 Windmill Road
Dartmouth, Nova Scotia
B3B 1C2

Fax: 902-468-5661

Email: dmurray@ncc.ca

Website to view application: www.ncc.ca

Email to request electronic version of application: dmurray@ncc.ca

16. Vista Radio Ltd.
Grand Forks, British Columbia
Application 2013-0688-7

Application by **Vista Radio Ltd.** (Vista) for a broadcasting licence to operate an English-language commercial FM radio in Grand Forks, with FM rebroadcasting transmitters in Greenwood, Rock Creek and Christina Lake.

The station would operate on frequency 102.3 MHz (channel 272A) with an average effective radiated power (ERP) of 589 watts (maximum ERP of 1,043 watts, directional antenna with an effective height of antenna above average terrain of -353 metres).

The applicant proposes an Adult Rock/Classic Rock music format.

Vista indicated that due to the impeded signal originating from its radio station CKGF-FM Greenwood, it cannot provide adequate coverage in Grand Forks, which is the main business and touristic centre of the West Kootenay region.

Should this application be approved, the applicant indicated that CKGF-FM would revert to a rebroadcasting transmitter and would maintain its current technical parameters. Further, the two rebroadcasting transmitters for CKGF-FM, which are located in Rock Creek and Christina Lake, would also maintain their current technical parameters. Finally, Vista stated that the proposed station would continue to broadcast the programming currently aired on CKGF-FM.

Pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act*, the Commission will revoke the licence for CKGF-FM upon the implementation of the new Grand Forks station.

The Commission may withdraw this application from the public hearing if it is not advised by the Department of Industry, at least twenty days prior to the hearing, that the application is technically acceptable.

Applicant's address:

201-910 Fitzgerald Avenue
Courtenay, British Columbia
V9N 2R5

Fax: 250-334-9540

Email: president@vistaradio.net

Email to request electronic version of application: clecomte@vistaradio.net

Procedure

Deadline for interventions, comments or answers

27 September 2013

The *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*, SOR/2010-277 (the Rules of Procedure), set out, among other things, the rules for content, format, filing and service of interventions and answers of respondents, the procedure for filing confidential information and requesting its disclosure, and the conduct of the public hearing. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and its accompanying documents, which can be found on the Commission's website under "CRTC Rules of Practice and Procedure."

An intervention or an answer from a respondent must be filed with the Commission and served on the applicant on or before the above-mentioned date. An answer from a respondent must also be served on any other respondent.

In accordance with the Rules of Procedure, a document must be filed with, not merely sent to, the Commission by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. The Commission takes no responsibility for postal delays and will not notify a party whose submission is received after the deadline date. Late submissions will not be considered by the Commission and will not be made part of the public file.

For applications to be considered during the appearing phase of the hearing, the intervention or answer must include one of the following statements in either the first or the last paragraph:

1. I request to appear at the public hearing.
2. I do not want to appear at the public hearing.

The applicant, respondents and interveners are permitted to coordinate, organize and file, in a single submission, interventions of other interested persons who share their position but do not wish to appear at the hearing as a "Joint Supporting Intervention." More

information on how to do so and a template for the covering letter to be filed by the parties can be found in *Changes to certain practices for filing interventions – Expansion of filing practices to include the filing of joint supporting comments for broadcasting policy proceedings*, Broadcasting Information Bulletin CRTC 2010-28-1, 10 December 2010.

Interventions and answers will be considered by the Commission and will form part of the public record of the proceeding without further notification to parties, provided the procedures set out in the Rules of Procedure and this notice have been followed. Parties will be contacted only if their submissions raise procedural questions.

Submissions must be filed by sending them to the Secretary General of the Commission by **only one** of the following means:

by using the
[\[Intervention/comment/answer form\]](#)

or

by mail to
CRTC, Ottawa, Ontario K1A 0N2

or

by fax at
819-994-0218

A true copy of each intervention or answer from a respondent must be sent to the applicant and, in the case of a respondent to an application, to any other respondent.

The Commission advises those who file and serve by electronic mode to exercise caution when using e-mail for service of documents, as it may be difficult to establish that service has occurred.

Parties must ensure that, before initiating service through electronic mode, they will be able to satisfy the Commission, upon request, that service was completed. The sender must keep proof of the sending and the receipt of the document for 180 days after the day on which it is filed.

Submissions longer than five pages should include a summary.

Each paragraph of the submission should be numbered. In addition, where the intervention is filed by electronic means, the line *****End of document***** should be entered following the last paragraph of the document, as an indication that the document has not been altered during electronic transmission.

Interventions and answers must clearly identify the application referred to and indicate whether parties support or oppose the application, or, if they propose changes to it, include the facts and grounds for their proposal.

In the event that an application to be considered during the non-appearing phase of the hearing is brought to the oral phase of the hearing, and if parties wish to appear, they must provide reasons why their written interventions or answers are not sufficient and why an appearance is necessary. Parties requiring communication support must state their request on the first page of their intervention. Only those parties whose requests to appear have been granted will be contacted by the Commission and invited to appear at the public hearing.

Persons requiring communications support such as assistance listening devices and sign language interpretation are requested to inform the Commission at least twenty (20) days before the commencement of the public hearing so that the necessary arrangements can be made.

Important notice

All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, facsimile, e-mail or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal information, such as full names, e-mail addresses, postal/street addresses, telephone and facsimile numbers, and any other personal information parties provide.

The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.

Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.

The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

The Commission encourages parties and interested persons to monitor the record of the proceeding, available on the Commission's website, for additional information that they may find useful when preparing their submissions.

Examination of documents

An electronic version of the applications is available on the Commission's website by selecting the application number within this notice. It is also available from the applicants/licensees, either on their websites or upon request by contacting the applicants/licensees at their email addresses, provided above.

A list of all interventions and answers will also be available on the Commission's website. The list is accessible by selecting "View all proceedings open for comment" from the "Public Proceedings" section of the Commission's website and clicking on the "Interventions/Answers" link associated with this notice.

Documents are also available during normal office hours at the Commission offices and documentation centres directly involved with these applications, or, upon request, within two (2) working days, at any other Commission offices and documentation centres.

Location of Commission offices

Toll-free telephone: 1-877-249-2782

Toll-free TDD: 1-877-909-2782

Les Terrasses de la Chaudière
 Central Building
 1 Promenade du Portage, Room 206
 Gatineau, Quebec
 J8X 4B1
 Tel.: 819-997-2429
 Fax: 819-994-0218

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 99 Wyse Road
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 Dartmouth, Nova Scotia
 B3A 4S5
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 Fax: 902-426-2721

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205 Viger Avenue West
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Secretary General